



RESOLUTION NO. 20200128-11

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO EXECUTE A MODIFICATION OF LEASE FOR ADDITIONAL WAREHOUSE SPACE AT 554 ELM CIRCLE, HOOKS, TX 75570 TO LOC PERFORMANCE PRODUCTS, INC.

WHEREAS, TexAmericas Center is a political subdivision of the State of Texas with the powers and authorities specified in Chapter 3503 of the Special District Local Laws Code of the State of Texas; and

WHEREAS, Loc Performance Products, Inc. contacted TexAmericas Center to seek a modification of lease for additional warehouse space at 554 Elm Circle, Hooks, TX 75570; and

WHEREAS, the parties have come to the attached terms of agreement for said modification of lease.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of TexAmericas Center that the Executive Director/CEO shall be and he is hereby authorized to execute the attached modification of lease; and


BE IT FURTHER RESOLVED, by the Board of Directors of TexAmericas Center that the Center appreciates the collaborative effort of Loc Performance Products, Inc. to negotiate this modification of lease as well as to continue its business operations, preserve existing jobs and contribute to the tax base in Bowie County, Texas.

PASSED AND APPROVED THIS 28th day of January, 2020.



Boyd Sartin, Chairman of the Board

ATTEST:



Ben King, Secretary

Attached: Modification of Lease

**MODIFICATION OF LEASE
(RIGHT OF FIRST REFUSAL FOR BUILDING 554)**

1. Parties.

The parties to this Agreement are TEXAMERICAS CENTER (TAC), hereinafter the "Landlord", and LOC PERFORMANCE PRODUCTS, INC., hereinafter the "Tenant".

2. Current Lease.

TexAmericas Center and Tenant entered into a Lease Agreement dated the 1st day of June, 2019, leasing 12,000 square feet out of 22,150 square feet for property located at 556 Elm St., Hooks, Texas 75561, said Lease Agreement having a termination date of May 31, 2020.

3. Modification Terms. The Lease Agreement is modified as follows:

- A. The square footage leased under the Lease Agreement and used for warehouse space at 556 Elm Circle, Hooks, TX shall remain the same at 12,000 square feet out of 22,150 square feet.
- B. The tenant is choosing to exercise the Right of First Refusal to expand its leased premises into the building located at 554 Elm Circle, adjacent of 556 Elm Circle at the same rate as the first. A discount to both buildings will be applied of \$0.25 per square foot annual for the remainder of the current term. The standard 3% escalation will be applied per year during the extended term of this lease.
- C. The monthly rent payable under the Lease is hereby modified as follows:
 - i. The Initial Base Rent for the remainder of the current term, commencing February 1, 2020 and terminating May 31, 2020, shall remain the same rate at \$3,500.00 per month for Building 556 Elm Circle.
 - ii. The Initial Base Rent for Building 554 Elm Circle shall commence on the first day of the month following the date upon which Landlord completes the rehabilitation improvements to the building, as described in Exhibit "A" attached hereto. Rent shall increase each year during the term, and any extended term, by three percent (3%) over the previous year's rent amount.
 - iii. Rent for the first option period commencing June 1, 2020 and terminating May 31, 2021, shall be \$9,248.96 per month, assuming rehabilitation improvements to Building 554 Elm Circle have been made.
 - iv. Rent for the second option period commencing June 1, 2021 and terminating May 31, 2022 shall be \$9,526.43 per month, assuming rehabilitation improvements to Building 554 Elm Circle have been made.
 - v. Rent for the third option period commencing June 1, 2022 and terminating May 31, 2023 shall be \$9,812.22 per month, assuming rehabilitation improvements to Building 554 Elm Circle have been made.



- vi. Rent for the fourth option period commencing June 1, 2023 and terminating May 31, 2024 shall be \$10,106.59 per month, assuming rehabilitation improvements to Building 554 Elm Circle have been made.
 - vii. Rent for the fifth option period commencing June 1, 2024 and terminating May 31, 2025 shall be \$10,409.78 per month, assuming rehabilitation improvements to Building 554 Elm Circle have been made.
 - viii. Rent for the sixth option period commencing June 1, 2025 and terminating May 31, 2026 shall be \$10,722.08 per month, assuming rehabilitation improvements to Building 554 Elm Circle have been made.
- D. The security and tax deposits shall remain the same.
 - E. Tenant's rights under the options shall terminate if (1) the Lease or Tenant's right to the possession of the premises is terminated, (2) Tenant assigns its interest in the Lease or sublets any portion of the Premises without Landlord's written consent, (3) Tenant fails to timely exercise the first option, or (4) default exists at the time Tenant seeks to exercise the first option.
 - F. An option to extend for the additional terms shall be exercised by a written notice delivered to the Landlord not more than 180 days and not less than 90 days before the termination date, or the extended termination date in the event a prior option has been exercised.

4. Continuation of Lease Terms.

Except for the modifications made in this Modification Agreement, all provisions of the Lease Agreement will continue in full force and effect.

EXECUTED as of this the 28th day of January, 2020.

LANDLORD:
TEXAMERICAS CENTER

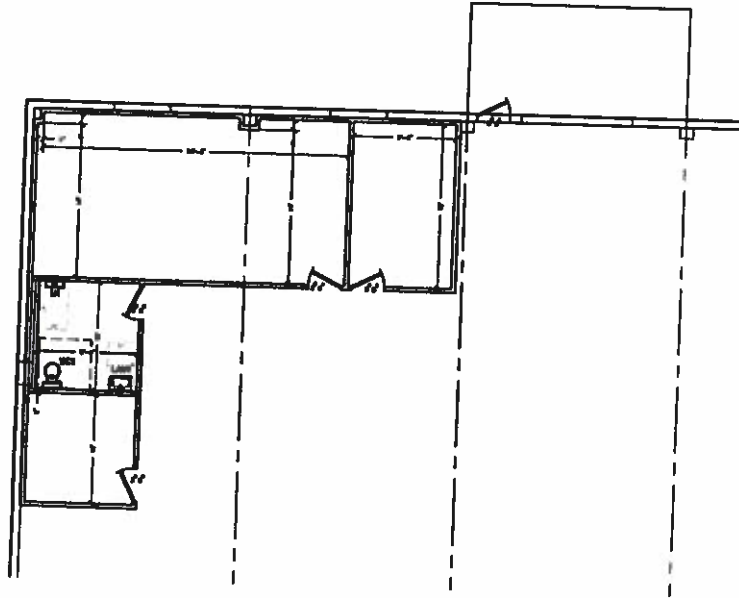
By: [Signature]
Scott Norton, Exec. Director/CEO

TENANT:
LOC PERFORMANCE, INC.

By: [Signature]
Jason Atkinson, Chief Operating Officer

JA

EXHIBIT "A"
Premises Description



- a. The expansion in to 554 Elm Circle warehouse will include the above office area as depicted above, and as outlined below:
- i. Replace bulbs in lighting (Not rewire or replace lamps)
 - ii. Add mandors as required.
 - iii. Add an ADA access ramp, upon request
 - iv. Add man door as required to meet applicable codes.
 - v. Refurbish building sprinkler system.
 - vi. Upgrade electricity to building to be 3-phase, upon request.

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